

# SUMMARY ANALYSIS OF AMENDED BILL

## Franchise Tax Board

Author: Florez Analyst: Kimberly Pantoja Bill Number: AB 114

Related Bills: See Prior Analysis Telephone: 845-4786 Amended Date: 04/08/99

Attorney: Pat Kusiak Sponsor:

**SUBJECT:** Disaster Loss Deduction/1998-99 Winter Freeze

- ☒ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced January 4, 1999.
- ☐ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- ☐ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.
- ☐ FURTHER AMENDMENTS NECESSARY.
- ☒ DEPARTMENT POSITION CHANGED TO Neutral.
- ☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED January 4, 1999 STILL APPLIES.
- ☐ OTHER - See comments below.

### SUMMARY OF BILL

Under the Personal Income Tax Law (PITL) and the Bank and Corporation Tax Law (B&CTL), this bill would allow special disaster treatment of losses sustained as a result of a freeze or any related casualty that occurred during the winter of 1998-99 in any county of California that was declared a disaster.

This bill also would add provisions to the Revenue and Taxation Code relating to property taxation. These changes do not affect the department and are not discussed in this analysis.

### SUMMARY OF AMENDMENT

The April 8, 1999, amendments resolved the department's technical considerations by accepting the amendments suggested in the department's analysis of the bill as introduced January 4, 1999. The amendments reinstate favorable disaster loss treatment to Governor declared disasters which are listed in the code sections affected by this bill. This provision was inadvertently deleted when these code sections were substantially amended in 1996. Except for the position change and the technical considerations, the remainder of the department's analysis of the bill as introduced January 4, 1999, still applies.

### BOARD POSITION

Neutral.

At its March 23, 1999, meeting, the Franchise Tax Board voted 2-0 to take a neutral position on this bill, as introduced January 4, 1999.

### Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input checked="" type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Department/Legislative Director Date

**Johnnie Lou Rosas** **4/21/1999**